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ONTARIO MANAGED FOREST TAX REDUCTION PROGRAM GUIDELINES

The Ontario Managed Forest Tax Reduction Program provides municipal tax assistance to property owners to encourage the proper management of private forests.

The assistance equals 50% of the municipal taxes levied on managed forest assessment, and all eligible owners wishing to participate must complete and sign an application form which includes a certificate of qualification.

This pamphlet summarizes the main points of the program, which is established under The Forestry Act and is the joint responsibility of the Ministry of Natural Resources and the Ministry of Intergovernmental Affairs.



Ontario

Minister of
Natural Resources
Honourable James A.C. Auld

Minister of Intergovernmental
Affairs
Honourable Thomas L. Wells

PLEASE NOTE CHANGES TO 1980 PROGRAM

1. The definition of a managed forest has been expanded to allow for a continuous forest concept when the forest covers more than one separate parcel of land under the same ownership. (See Section 1(d) of Pamphlet.)
2. Rebate on a property benefitting from The Ontario Pensioners Property Tax Assistance Act will be calculated on net taxes after deducting the tax assistance. (See Section (F) of Application Form.)
3. The amount of interest charged on repayments when a forest ceases to be a managed forest has been increased from 8% to 10%. (See Section 6 of Pamphlet.)

PROGRAM CONDITIONS

1. ELIGIBILITY REQUIREMENTS

You are eligible if:

- (a) you reside in Ontario,
- (b) you own a managed forest property which is located in an area designated under The Woodlands Improvement Act as a private forest management area,
- (c) at least 50% of the 1980 taxes levied on the eligible managed forest assessment have been paid,
- (d) you are prepared to certify on the application that the forest portion of your land meets the definition of a "Managed Forest" as follows:

Definition of "Managed Forest"

- (i) A continuous forest that contains a minimum of five acres of one parcel of land or any number of adjacent parcels of land under the same ownership and is,
 - (a) subject to an agreement under The Woodlands Improvement Act or The Forestry Act, or
 - (b) subject to a management plan certified by a registered professional forester.

OR
- (ii) A continuous forest that comprises 25 acres or more on one parcel of land or any number of adjacent parcels of land, under the same ownership and,
 - (a) livestock does not pasture or roam in the forest and,
 - (b) if cutting took place in the forest in 1980, it was done in accordance with

good forestry practices or a municipal tree cutting by-law, if one exists.

AND

- (iii) The forest must have one or more of the following kinds of trees: pine, spruce (except Colorado Blue Spruce), hemlock, elm, tamarack, oak, cedar, balsam fir, birch, ash, hickory, basswood, tulip, black cherry, walnut, beech, butternut, chestnut, maple, sycamore, locust, black gum, sassafras, poplar.

AND

- (iv) The forest must include the above kinds of trees with a minimum of:
- (a) 400 trees per acre of any size or
 - (b) 300 trees per acre measuring over two inches in diameter or
 - (c) 200 trees per acre measuring over five inches in diameter or
 - (d) 100 trees per acre measuring over eight inches in diameter.

The diameter measurements are to be taken four and one-half feet above the ground. As a general rule of thumb, trees 10 feet apart or closer will total 400 trees per acre.

2. CONTINUOUS FOREST

In previous years the program required that each separately assessed property must qualify on its own as a managed forest. The definition of a managed forest has now been expanded to allow for payment of rebates to undersized parcels of land where they form part of a continuous forest and are under the same ownership.

3. AMOUNT OF REBATE

The amount you will receive on each separately assessed property is 50% of eligible 1980 municipal taxes which means all taxes for municipal and school purposes imposed by a mill rate on eligible forest assessment and all taxes imposed by a local roads board or local services board on the managed forest portion of your property; however, where such taxes are less than \$20, no rebate will be paid.

The rebate on a property benefitting from tax assistance received or receivable under The Ontario Pensioners Property Tax Assistance Act, 1980 will be calculated on the net taxes after deducting the property tax assistance in the case of eligible senior citizens. Confirmation of the actual Seniors Property Tax Assistance will be obtained by

Ministry of Intergovernmental Affairs from Ministry of Revenue prior to calculating the managed forest tax rebate.

No rebate will be paid in respect of the managed forest if it is included as part of the same assessed parcel, or portion, of land that has or will be paid under the 1980 Farm Tax Reduction Program.

4. CHANGE OF OWNERSHIP

If you sold or purchased a property during 1980, you may make application for the total 1980 assistance, but when payment is received it must be apportioned between the other owner and yourself in the same ratio as the 1980 property taxes were apportioned.

5. HOW TO APPLY

Complete an application form and return it promptly to the Subsidies Branch in the addressed envelope provided. *No rebate will be paid if the form is not returned by December 31, 1981.* We will process your application and send you a cheque within six to eight weeks if your application is complete and eligible.

6. REPAYMENT REQUIREMENT

This assistance must be repaid if the forest (or any part thereof) ceases to be a managed forest before December 31, 1990. When this occurs, the rebates paid (or the applicable portion thereof) must be repaid together with 10% interest per annum by the person who owns the managed forest at the time it ceases to be a managed forest.

7. FIELD EXAMINATION

Staff of the Ministry of Natural Resources have authority to enter onto lands to ensure that a managed forest exists.

8. FURTHER INFORMATION ON THE PROGRAM

If you have any questions on this program, including the interpretation of the program terms set out in this pamphlet, please write *indicating your property roll number(s)* to the Subsidies Branch, Ministry of Intergovernmental Affairs, 56 Wellesley Street West, Toronto, M7A 2R8 or telephone (416) 965-7994.